

House Study Bill 294

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON SHOMSHOR)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing a sales tax exemption for charges paid for
2 membership in a physical exercise club.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1866YC 82
5 ak/es/88

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1 1 Section 1. Section 423.3, Code 2007, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 92. The sales price of charges paid for
1 4 membership in a physical exercise club. For the purposes of
1 5 this subsection, "charges paid for membership" means "contract
1 6 price" as defined in section 552.1, and "physical exercise
1 7 club" means as defined in section 552.1.
1 8 EXPLANATION
1 9 This bill creates a sales tax exemption for the price of a
1 10 membership to a physical exercise club or to use the services
1 11 or facilities of a physical exercise club. The sales tax
1 12 exemption applies to the contract price paid as defined in
1 13 Code section 552.1, which includes service charges or
1 14 membership fees. A physical exercise club, as defined in Code
1 15 section 552.1, includes a facility offering services for the
1 16 preservation, maintenance, encouragement, or development of
1 17 physical fitness or well-being.
1 18 LSB 1866YC 82
1 19 ak:sc/es/88